

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Parts 400,430, 431, 434, 435, 438, 440, and 447

[CMS-2001-IFC]

RIN 0938-AL07

Medicaid Program; Medicaid Managed Care; Further Delay of Effective Date

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Interim final rule with comment; Further delay of effective date.

SUMMARY: This document further delays the effective date of the final rule with comment period on Medicaid managed care that we published in the **Federal Register** on January 19, 2001 (66 FR 6228). The January 2001 final rule with comment period, if it had taken effect, would have combined most of the regulatory provisions relating to Medicaid managed care into a new part in 42 CFR, and would have implemented Medicaid managed care requirements of the Balanced Budget Act of 1997 (Pub. L. 105-33).

In a **Federal Register** final rule (66 FR 11546) published on February 26, 2001, we delayed the effective date of the January 2001 rule from April 19, 2001 until June 18, 2001. On June 18, 2001, we published another final rule in the **Federal Register** that delayed the effective date of the January 2001 final rule from June 18, 2001 until August 17, 2001 (66 FR 32776). This document further delays the effective date of the January 2001 final rule from August 17, 2001 until August 16, 2002. In addition, this document gives the public an opportunity to comment on the length of the delay of effective date.

These delays were necessary to give newly appointed Department officials the opportunity for further review and consideration of the new regulations. During these delays, we have heard from key stakeholders in the Medicaid managed care program, including States, advocates for beneficiaries, and provider organizations. These stakeholders expressed strong (sometimes opposing) views about the regulation. In particular, concerns were expressed about revisions made in the final rule that were based on public comments we received on the September 29, 1998 proposed rule (63 FR 52022). Other commenters raised concerns about how we chose to implement those provisions in the final rule without further opportunity for public comment.

We are publishing in the August 20, 2001 issue of the **Federal Register** another proposed rule allowing an additional opportunity for public comment on revised Medicaid managed care provisions.

DATES: Effective Date: The final rule with comment period that published on January 19, 2001 at 66 FR 6228 and delayed on February 26, 2001 at 66 FR 11546 until June 18, 2001 and delayed on June 18, 2001 at 66 FR 32776 until August 17, 2001 is further delayed until August 16, 2002.

Comment date: Comments will be considered if we receive them at the appropriate address, as provided below, no later than 5 p.m. on [OFR--insert date 60 days after the date of publication in the **Federal Register**].

ADDRESSES: Mail written comments (one original and three copies) to the following address only:

Centers for Medicare & Medicaid Services,
Department of Health and Human Services,
Attention: CMS-2001-IFC,
P.O. Box 8016,
Baltimore, MD 21244-8016.

To ensure that mailed comments are received in time for us to consider them,
please allow for possible delays in delivering them.

If you prefer, you may deliver (by hand or courier) your written comments
(one original and three copies) to one of the following addresses:

Room 443-G, Hubert H. Humphrey Building,
200 Independence Avenue, SW.,
Washington, DC 20201, or
Room C5-16-03,
7500 Security Boulevard,
Baltimore, MD 21244-1850.

Comments mailed to the addresses indicated as appropriate for hand or courier
delivery may be delayed and could be considered late. Because of staff and resource
limitations, we cannot accept comments by facsimile (FAX) transmission. In
commenting, please refer to file code CMS-2001-IFC.

If you have comments on the information collection requirements, please mail
copies directly to the following:

Centers for Medicare & Medicaid Services

Office of Information Services,

DHES, SSG

Attn: Julie Brown, CMS-2001-IFC

Room N2-14-26

7500 Security Boulevard, Baltimore, MD 21244-1850;

and

Office of Information and Regulatory Affairs,

Office of Management and Budget,

Room 10235, New Executive Office Building,

Washington, DC 20503

Attn: Brenda Aguilar, Desk Officer.

FOR FURTHER INFORMATION CONTACT:

Deirdre Duzor, (410) 786-4626.

Authority: Sec. 1102 of the Social Security Act (42 U.S.C. 1302).

(Catalog of Federal Domestic Assistance Program No. 93.778, Medical Assistance Program)

Dated: _____

Thomas A. Scully,
Administrator,
Centers for Medicare & Medicaid
Services.

Approved: _____

Tommy G. Thompson,
Secretary.

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